

525
• M25

THE

War Horror

ITS LESSON TO AMERICA

A Plain Statement of Facts

NOT A CONTROVERSY

By RICHARD M. McCANN



Published by

WATERWAYS & COMMERCE

150 Nassau Street

New York City

TEN CENTS PER COPY

Second Edition, Revised

Foreword

War Would End If Money Kings Willed It

Having called to her aid South African Negroes, the brown men of India and the browner men of Japan, England is now resorting to every device to embroil the people of the United States in the Money Clique's inhuman attempt to crush Germany and maintain the money control of the world. In line with this, a partner of the banking house of J. Pierpont Morgan & Co. has declared that America must help the Allies, and that declaration has been followed by a propaganda in the daily newspapers, calculated to inflame the people to action against their own best interests. Of this newspaper propaganda George Bernard Shaw writes:

"The appalling danger of a daily deluge of cheap newspapers written by nameless men and women whose scandalously low payment is a guarantee of their ignorance and servility to the financial department, controlled by a money class, which has large direct interests in war as a method of raising the price of money, the only commodity the money class has to sell. Plutocracy makes for war because it offers prizes to plutocrats."

This book is written to warn the people of the United States that they have at all times been misled and are today being misled by an international group of money dealers, whose machinations have

1525
M25
brought about this terrible war and whose greed for gold is causing its continuance.

Elsewhere, will be found a summary of the several money conspiracies against the people successfully carried out by the money clique since the Civil War of 1862. People must bear in mind that these international money dealers do not profit extravagantly from commercial conditions in time of peace. At such times, money is easy and does not sell at a premium. In times of commercial disturbance—particularly in war—money becomes dear and usurious interest can be extracted from every branch of industry. The longer the war continues, therefore, the more the international money controllers gain. An intelligent, aggressive public opinion is the only power that can thwart the designs of these money dealers.

Can such a public opinion be aroused in the United States? It is to present these matters for the consideration of the public that this book is written. If people reason correctly, they will act right.

The crushing of Germany—if that were possible—would only mean a war between England and Russia and France. Remember that France hopes to regain Alsace and Lorraine and Russia covets Constantinople and Baltic Prussia to get control of the sea. England could not consent to placing such power in Russia's hands and neither could she profit by the advancement of France. The triumph of the Allies means the continuation of the world war. The triumph of Germany means the speedy establishment of world peace.

RICHARD M. McCANN.

America and the War

Defeat of Germany Would Hurt Democracy

By RICHARD M. McCANN

Editor "Waterways and Commerce"

Life is complex ; no human formula applies to all its phases. Evolution, the motive power of events, evades formulation.

Says Aeschylus: "It is an old saw that great prosperity does not die childless, but brings insatiable woe on a race. Wealth is no protection to a man when he has spurned the altar of right. A wretched impulse drives him on, the irresistible, far-scheming child of folly."

These thoughts of the valiant soldier and inspired poet who died 450 B. C. seem particularly pertinent to a consideration of the causes that have involved the great nations of Europe in war. We citizens of the United States who represent in the persons of our electorate natives or children of natives of each warring nation should make an impartial study of the combatants.

Russia, France and England are so vast in wealth and population that they appear to encompass all there is of power on the Globe.

Germany is not as large in area as the State of Texas! Texas has 265,780 square miles, Germany 208,830 square miles. But there the comparison ends.

And this little section of the world has been so intensely worked that it rivals England in the foreign trade of the world.

More than 80 per cent. of the German railroads are owned by the Imperial or State government. There are more than 2,000 miles of electric railroads, 6,000 miles of navigable rivers, 1,500 miles of canalized rivers and 1,500 miles of canals. The Kaiser Wilhelm or Kiel Canal, connects the North Sea with the Baltic and is 61 miles long, with an average depth to permit the passage of the largest ship. Its cost, upward of \$70,000,000, has been more than repaid by the protection it has afforded the German navy.

These waterways of Germany are equipped with the most improved mechanical devices for handling cargoes from big or little ships and are a means of revenue to the people. The waterways of the United States cost the people \$100,000,000 annually in taxes and are of negligible benefit to commerce, while the waterways of England are useless.

The railways of Germany pay a profit of \$5,000 a mile—what of the railways of the United States?

The expenses of the empire of Germany are paid by the profits from the postal service, the telegraphs, telephones and state railroads.

WHAT REVENUE DOES THE UNITED STATES RECEIVE FROM THESE SOURCES?

So much for the material side of Germany. Let us glance at the mental or educational side.

School instruction is obligatory on the whole people, and the government is liberal to extravagance in the promotion of primary and secondary education. There are 25 universities with 70,000 students. The leading universities are in Berlin, Munich, Bonn, Leipsic, Halle, Heidelberg and Breslau. There are also technical and polytechnic schools, the Naval Academy at Kiel, Military Academies at Munich and Berlin, besides 60 schools of navigation, 15 special military schools and 10 cadet institutions.

And all of this in a territory less in area than the State of Texas. Think of it! There is a reason—and that reason is:

The revenues of the German Empire have been honestly expended.

The government of Germany is that of a constitutional monarchy, the present empire dating from 1871. The supreme direction in military and political affairs is vested in the King of Prussia, who in this capacity bears the title "German Emperor," The Kaiser!

He represents the nation internationally, and can declare war, *if defensive*, and make peace, as well as enter into treaties with other nations, and appoint and receive ambassadors.

Remember, the Kaiser cannot declare *offensive war*. *A war of offense can only be declared by the legislative authority which is vested in the Bundesrath*, representing the individual German states, and appointed by the governments of each state for the session, *and the Reichstag*, representing the nation

at large, and elected by universal suffrage, for a term of five years.

Surely this should satisfy the most skeptical that the German people realize that the present war is a defense of their liberties, of their commerce, yea, of their hearthstones.

Compare the orchard and farm lands of Germany with those of England.

A large part of the surface of England consists of wide valleys and plains. It is well supplied with rivers. Most of them carry their waters to the North Sea. If we consider the drainage as a whole, four principal river basins may be distinguished, those of the Thames, Wash and Humber belonging to the German ocean and the Severn belonging to the Atlantic.

Notwithstanding these advantages, England produces nothing of value to the nation in the form of crops. Her waterways have been practically abandoned and her national energies devoted to foreign trade aggradizement rather than domestic development. Notwithstanding Magna Charta, Cromwell and Home Rule for Ireland, men of wealth have always ruled England. The acquisition of money—financial success has been the goal of the nation since the days of the Armada. The comfort and prosperity of the people have never been the concern of her legislators.

It is evident that a race entirely occupied in legislation enacted to seize the property or possessions of other people and profit by their production, rather than devote their energies to home development, has but a rudimentary humanity, a narrow ethics, a narrow religion.

During the recent discussion in the United States Senate on the Rivers and Harbors Bill, the Hon. F. M. Simmons, of North Carolina, said:

"Germany, probably, of all countries of the world has developed its water transportation to the highest state of perfection. Her rivers are not deep, but their channels are in good condition. Her terminal facilities and physical railroad connections at stopping points are of the best. If you will go to that country and visit the Rhine you will see that stream full of barges, from ten to twelve hundred ton capacity each, six, eight, and even more of them linked together and drawn up and down the river with one powerful tug, with perfect arrangements for loading and unloading, and with economic physical connection with the railroads which receive their cargoes and distribute them into the interior.

"Our failure to take thought of these things and to provide for them accounts in part for the backwardness of water transportation in this country.

"What has Germany accomplished as a result of building her waterways and linking them together, and thus securing the cheapest possible freight rates for her manufacturers? Germany, starting from a position of inferiority, with a comparatively small foreign trade in the markets of the non-manufacturing countries, largely pre-empted and monopolized by other nations, has gone forward with such strides, with such rapid, unparalleled strides, in the struggle for trade that in less than 50 years she

has become probably the most dangerous competitor for world's trade among the industrial nations of the world. She has successfully met the competition of England, for years recognized as the mistress of the sea and the monarch of world commerce. She has successfully met the competition of France, Belgium, and of our own country. Against all opposition she has acquired a foothold here and there and everywhere and expanded and grown until she has forced herself to the front ranks of the great industrial nations who in modern times have waged war in all the ports of the world for industrial supremacy.

“For years when we were considering tariff legislation the competition of England was constantly dinged into our ears. We were told that we could not compete in our own markets with English products in the absence of high protective duties. England was the country held up to us as the country of greatest efficiency in production, the country where things could be made cheaper than anywhere else, and the country whose competition we had most to fear, both at home and abroad. In recent years when we have been making tariff bills we have heard less of England and more of Germany. Germany, we are now told, is the country of greatest efficiency in production; the country of cheapest production; the country whose competition is most to be feared both at home and abroad.

“Why has Germany in these few years taken the place of England as the nation of cheaper

production? I answer, Mr. President, because she has recognized, as the other nations have not, the importance of cheap transportation, the effect of cheap transportation upon the cost of production; recognized the frightful economic waste in using rail transportation where water transportation was equally as available in the assembling and distribution of heavy and bulky products of commerce, and by reducing the cost of transportation to a minimum has been enabled to produce and distribute her products at a lesser cost than her competitors, especially her European competitors.

“Mr. President, the English are a very conservative race of people. They are slow to adopt innovations and to change their old methods and ways of doing things, but the English people could not shut their eyes to the effect upon Great Britain’s trade of what was happening in Germany.”

Senator Simmons truly said Great Britain did not shut her eyes to what was happening in Germany. Realizing that she could not compete with Germany SHE DETERMINED TO DESTROY GERMANY AS SHE DESTROYED AMERICAN SHIPPING BY SENDING FORTH THE “ALABAMA” AND “SHENANDOAH” ON THEIR VOYAGES OF DESTRUCTION.

THESE WAR CRUISERS SOUGHT OUT PEACEFUL UNARMED SAILING SHIPS ON THE OCEAN AND EVEN NEAR THE SHORE, SHOT DOWN THE CREWS, LOOTED THE CARGO OF GOLD OR PORTABLES

OF VALUE AND THEN BURNED THE UN-PROTECTED MERCHANTSHIP.

The United States has submitted to spoliation by Great Britain because men of "American birth and identified with the nation's transportation system" unlawfully combine with British capitalists to exploit the people. Great Britain has been unable to make such a combination with men of German birth identified with that nation's transportation system and hence the war—just as England attempted in 1812 to crush the United States is she now attempting to crush Germany, but just as she failed in 1812, so surely will she fail in 1914.

Unhappily the press of the United States is dominated by English influence and the papers that dealt fairly with Germany a few months ago now reek with abuse of that great nation. This is the more unaccountable because Great Britain has for years systematically persisted in a publicity campaign of everything American, particularly in South America.

On January 7, 1913, testifying before the Committee on the Merchant Marine and Fisheries, of the House of Representatives, Mr. Sidney Story, of the Pan American Steamship Company, declared:

"We find that our commercial rivals, the English, are very aggressive in carrying on a propaganda throughout the press. There is not a day but what you take up the newspapers of those countries and you will find a whole column devoted to Switzerland or Holland, or Belgium, two columns to France, Italy, and England, and to the United States possibly two or

three small lines. Or if it is a paragraph or two it refers to some objectionable item like divorce cases in Nevada or lynchings—items of that character.

"The cable service is in the hands of the English, and the news service is in the hands of the English, and all the news from North America to South America is first censored in England before it reaches South America, and vice versa, the object being to keep the two sections of the western hemisphere as much apart as possible. We are pictured to the South Americans as northern barbarians, to keep away from us, and South Americans are pictured here to us as a lot of revolutionists, so as to keep our people from investing in that country."

England demands that the war go on because she wants to saddle on France such a debt that will prevent France from ever again being a lending nation. England will take over the securities of France at a discount of 40 per cent. and make that nation for all time a borrowing nation.

England demands that the war go on hoping that Russia will be able to crush Germany and remove the only nation that prevents her from monopolizing the trade of the world.

France aiding and abetting England is committing national suicide.

The overthrow of Germany would mean the ruin of the United States.

In September, 1913, *Waterways and Commerce* called attention to the growth of Canada and its menace to the national life of the United States,

unless the United States began at once the building of a merchant marine. Recently a merchant marine measure was adopted by Congress but that measure *was dictated by British Interests.*

Surely the United States cannot hope for aid from Great Britain in its competition with Canada!

As a nation the United States of late has been servile to British interests.

It imposes a tax of \$100,000,000 on the people although there is a balance in the banks of \$75,000,000 in favor of the government.

New York City is paying the bankers \$100,000,000 for obligations abroad that will not mature for months.

The Banks of the United States show a deficit of upward of \$70,000,000, notwithstanding the fact that they have the custody of \$75,000,000 of government money— *The People's Money.*

The industries of the United States are prostrate. Factories are either shut down entirely or working on half time. Why?

Is it because the banks are interested—as lenders—in English factories and do not desire to lose that investment by reason of the American factories taking away the trade of the foreign mills?

In 1907 American exports to Germany amounted to \$256,596,000; in 1912 they reached \$306,959,000, a gain of substantially \$50,000,000.

Should the people of the United States permit the few American capitalists who grow richer by reason of their nefarious partnership with English finances, to alienate the friendship of a country as great as Germany? Germany's only crime is that under the beneficent rule of the present Kaiser she

has followed the principles laid down by the immortal Washington and has declined to enter into "foreign entanglements."

The German Government under the Kaiser has been most humane and considerate. Here is one instance:

When the great tide of emigrants from Russia began to pass through Germany to America, some years ago, the German Government was compelled to refuse ship passage to many emigres, who were ill, deformed or otherwise undesirable. These unfortunates had made a long and expensive railway journey and when rejected at the port as undesirable they had to return by the same route. In order to prevent this suffering the German government designated a number of towns on the Russian frontier through which Russian emigrants were permitted to pass. The German railway lines constructed and maintained buildings there for that purpose, and appointed an agent at each place, and these places were called control stations. These control stations were established to inspect emigrants there instead of at the port of embarkation, and thus save undesirable ones the tediousness and expense of a long journey to the port and then back to their homes.

England and Russia cared nothing for the sufferings of the poor emigre. All they cared for was the transportation money. But the great Kaiser has a heart that beats responsive to that of the suffering Russian Jews and put his government to work to ameliorate their condition. The establishment of stations in Russia for the benefit of the sick and needy was denounced by England and Russia and

Belgium as an interference with another nation. Truly it seems that abuse is the reward for the lover of mankind from the Christ to the Kaiser.

"We look upon this world as one great family," said Daniel Webster, "born of the same flesh and blood, and eventually to be governed by the same laws; and the sooner the nations of the earth can feel and act upon this principle, the happier it will be for them. What good would not the money now do, which is annually wasted in the support of military forces, employed for the savage purpose of cutting each other's throats, could it be expended in the support of schools, *carrying out systems of internal improvements*, and promoting the cause of science! And what are high tariffs but fortifications and bands of custom-house officers but armies created to plunder and make war between nation and nation?"

"The fact that the controlling forces of society are usually invisible does not subtract from their economic basis. And as long as we can be kept in ignorance of their nature, as long as the minds of men can be directed to political and religious questions and away from the fundamental economic fact, just so long will progress continue to be blind and doubtful; just so long will the human pilgrimage renew its circles of disappointment and disaster. Until we understand and answer the question of bread, *until we deliberately equalize production and distribution*, until fraternity and freedom are changed from phrase to fact, the world will continue to be a wilderness of wanton human waste," writes George D. Herron.

The equalization of production and distribution

and the carrying out of a system of internal improvements, have been the accomplishment of the Kaiser. Of all the rulers in history he alone has made it his particular case to see that the money derived by the government was devoted exclusively to government use. Under his rule there has been no graft in Germany. Even the banks have been compelled to play fair with every form of industry, and although Germany, not as large an area as the State of Texas, has maintained the greatest of armies, an efficient navy and a wonderful merchant marine, the people of Germany are the most prosperous on earth.

The government of Germany is in truth a government for the people.

The government of England is the bulwark behind which hides the money manipulators of the world. Their thought is that money is all powerful. This thought was expressed by David Lloyd-George, Chance'lor of the Exchequer, replying on Sept. 8 to a deputation from municipalities wanting aid. The Chancellor of the Exchequer refused the aid saying:

"We want every penny we can raise to help fight the enemy. We must come out triumphant in this struggle, and as finance is going to play a very important part in it we must husband our resources. We do not want a penny spent which is not absolutely essential to relieve distress. In my judgment the last few hundred millions may win this war."

"The first hundred millions our enemy can stand as well as we can, but the last they cannot, thank God, and therefore I think cash is going to count much more than we imagine."

The materialistic Mr. George will probably learn that a powerful personality gifted with spiritual vision is more potent than money! that the great movements—the epoch making movements of mankind, are led by a man, not by money. Mahomet, Alexander the Great, Julius Cæsar, Charlemagne, each fashioned the world, or a very large portion of it, for long successive ages. One stands in awe of the world-shaping influence which some single men have exercised. It is a solemn, and it would be a terrible thing to contemplate, if we did not believe that a Mightier than man rules over all; that those mightiest, not less than the smallest, are in his hands. Helpers or hinderers of his kingdom are alike raised up by him to work out his plans, and to bring about in the end by strange and diverse ways, that kingdom which shall finally rule over all.

To the student of the growth and development of Germany, there comes with the force of conviction, the thought that William II. of Germany has been specially called, to revive in man a belief in God and to trust in His power and mercy. Indeed God always has been the uppermost thought in the mind of the Kaiser.

From boyhood he cultivated the spiritual side of his nature assiduously, so that in the 55 years of his life he has always been conscious of the presence of the ever living God. In truth it may be said of him that he walks with God. To no other ruler over men, has God been such an actual entity, a loving and loved Father.

Born physically frail, by sheer exercise of will he overcame bodily defects to such an extent that in early manhood, despite a partial paralysis of his

left side, he became recognized as an expert swordsman, a skilful horseman and a strong pedestrian.

William II. of Germany has stamped the imprint of his personality upon his people. He has intelligence supported by a courageous will, he has the gift of knowing what is to be feared and what not and in acting accordingly. Like the Kaiser the German people have grown from a nation of little promise to a people of supreme power.

Germany has given to the world two great object lessons.

The first is the folly of a people neglecting to be ready for war. For centuries Germany placed more importance on culture than on cannon. Did it earn the respect of England by that course?

An English writer treating of the German nation in 1815, said:

“Their conduct during the great war had shown so slender an aptitude for self defense that the idea of their attempting conquest was too absurd to be entertained. Nor had their patriotism been of that excitable kind which disposes a nation to incur risk for the sake of glory. They had allowed themselves to be tossed from one ruler to another as the fancy of their conqueror might decide; they had submitted to seeing a horde of foreign officials stifling their trade in order to forward their designs, and loading them with taxes to keep up the machinery for their oppression.”

To stifle trade and extort taxes ever has been and always will be the reason for war. The second object lesson that Germany has given to the world is that an honest administration of the affairs of a people will make them prosperous notwithstanding

an extraordinary expenditure for National defense.

These lessons should be learned by the people of the United States. They were taught by the founders of the Republic, but they have been dropped from the National curriculum for more than half a century. Germany alone of all the nations has strictly adhered to the policies of Washington, of Jefferson, of Jackson and of Lincoln.

Said the Hon. Jacob H. Gallinger, United States Senator from New Hampshire, in an address before the United States Senate:

“The one Old World nation which has made prodigious strides in foreign commerce of recent years, our ever vigilant and most formidable competitors, is the Empire of Germany, a thoroughly protectionist nation like our own. Until a quarter of a century ago, German sea power was absolutely insignificant. The Empire had a small war navy and a small and not very prosperous or efficient merchant fleet.

“Not until Germany began to own and build her own ships to carry her own trade did she begin to be considered as a serious factor in the commerce of the world. Her wonderful maritime expansion has made her mercantile expansion possible. The clear vision of the great Kaiser first recognized that his country must have ships in order to have commerce, and that to have ships meant increased prosperity not only for the seaport towns, but for every manufacturing village or agricultural district producing anything that could be sold abroad. German merchant tonnage that under a ‘free-ship’ policy without State aid, increased

only from 1,098,000 in 1873 to 1,270,000 in 1881, has, with State aid, grown to 3,393,000 in 1904, and German commerce has expanded in almost like proportions."

And in all this trade expansion never was an unfair act done by Germany to any other nation. On the contrary Germany was chosen as the subject for special approbation at the Lake Mohawk Peace Conference a little more than a year ago.

ENGLAND WILL GAIN AT AMERICA'S COST

A recent issue of *Die Woche*, a widely circulated German periodical, contains an article on "England's purpose in the current war," by Dr. Alfred Zimmermann, now Assistant German Secretary of State, who has for many years been prominent in the councils of the German Foreign Office. Dr. Zimmermann traces the development of England's anti-German foreign policy, of which he says King Edward was the father, while Sir Edward Grey and Winston Churchill have in recent years been its chief exponents. "It is significant," he says, "that when a liberal government came into power it took over from the Tories the two men most prominently identified with the anti-German propaganda.

"Whoever has followed the activities of these two men," Dr. Zimmermann continues, "could not remain in doubt about England's intention of using the first favorable opportunity to smash German

power. The most widely circulated English newspaper, which has long enjoyed the close confidence of the British administrative leaders, declared very cold bloodedly, days before England entered the war, that England would be compelled to enter the war upon the side of Russia and France for the sake of preserving the 'balance of power.'

"But in this war England is not only concerned about grabbing Germany's colonies, destroying Germany's fleet, wiping out Germany's trade and weakening Germany's economic life. She is envisaging other advantages, advantages with regard to which she is maintaining a discreet silence.

"For although the Russo-Japanese war weakened the Russian giant materially, and thereby assured England a greater degree of security in her Asiatic possessions, it can now count upon an even more violent shaking for the colossus of the North. There is little doubt about England's quiet satisfaction at every Russian defeat. For every weakening of Russia accrues to England's advantage in India and for her political schemes in East Asia.

"UNITED STATES WILL SUFFER SEVERELY AS RESULT OF WAR."

"The far-sighted English politician promises himself even greater advantages than the war offers with respect to Russia from its effects upon British relations with the United States. This latter country, directly and indirectly, is bound to suffer most seriously as a result of this war. The United States is the third commercial nation of the world. British trade totals \$7,000,000,000 annually. Germany's totals \$5,250,000,000, and that of the United States

amounts to \$4,250,000,000. Nearly half the foreign trade of the United States is carried on with Europe. Besides, England, Germany, France, Holland and Belgium are America's best customers, and furnishers, and they serve this function in even larger measure than appears from the import and export statistics.

"A good part of the merchandise which England imports from America is carried to the European mainland. Similarly, England carries much European merchandise to the United States. Under these circumstances it is readily apparent that the United States is bound to suffer seriously not only for the moment, but in the future as well, particularly if England achieves its object of destroying the German and French shipping trade with the United States and other over-sea countries. According to the most recent statistics, only 10 per cent. of all the freight handled in American harbors was carried in American bottoms. More than two-thirds of all the shipping in American ports already carries the British flag. Whereas, the total registered tonnage of the ships entering American ports is 24,500,000, the German share of this amounted to only 4,500,000, the French and Dutch to only 1,000,000 tons each.

"If England's policy of securing a monopoly of American shipping is successful, it means a serious economic disadvantage, as well as a political danger for the United States. The British would be the arbiters of over-sea rates, and would be in a position to prescribe to the United States the conditions under which it might do business with the outside world. Already the cutting off of the United States

from cable connection with Germany has worked a serious disadvantage to the Americans. Competition has been eliminated, Great Britain's influence upon the world has been enormously increased.

ENGLAND COUNTS ON GAINING OTHER ADVANTAGES AT AMERICA'S EXPENSE.

"England, moreover, is counting upon obtaining other advantages at America's expense. For a long time they have begrudged Uncle Sam an influence in the Far East which they have found inconvenient. No less irritating have they found the stand which the United States has taken in matters affecting Central and South America. England's indignation at America's attitude in the Panama and Mexican question is an open secret. The completion of the Panama Canal will only mitigate against England's position on these issues, as well as in the Far East. Already diverse matters connected with the Panama Canal have raised issues between British and American diplomacy. There was always the danger that these differences might lead to more serious misunderstandings.

"Therefore, England is altogether justified in assuming that in all these matters also a successful issue of the war and the consequent readjustment of the European situation in England's favor, will leave her in a much better position to achieve her ends. For then, with its chief European opponent out of action, England can turn its full strength against the United States without having to fear a rear attack.

"The world was astonished ten years ago, when England permitted France—a country with which it

had warred for centuries, and against which it had struck at every possible opportunity—to take over Morocco and the key to Gibraltar. There was no less astonishment when Christian England, a country which has ever sounded the call to arms against the unbeliever, entered into an alliance with heathen Japan. The far-reaching plans which motivated these steps have been understood by very few people outside of England. German public opinion paid scant attention to the warnings uttered against the dangerous plans of Edward VII. Even now the world's opinion as to British intentions is very much divided. Yet no one who has carefully observed British policy for the past three decades could doubt that England is today far less concerned about the weal or woe of France, Russia or Servia than about her own future position as a world power. The United States will play the most important role in this connection. Consideration as to her prospective position with reference to the United States may have had much to do with leading England into her present attitude. Let us hope that Americans will be more far-sighted than was the German public, and that they will take measures to meet the situation."

German Street Car Management.

TWO CENTS THE AVERAGE FARE, FOUR CENTS THE
MAXIMUM IN DRESDEN.

Twenty-three of the largest German cities are showing thrift in the management of their transit lines by getting the most good out of their expendi-

ture for the convenience, comfort and prosperity of the public, both in the cities and suburbs.

In Berlin the street car service is excellent. There are more seats than passengers at almost any hour of the day. Not more than seven persons are ever permitted to stand. In that city, where the elevated line is under private management, the service has been brought up to a high standard and compares well with the surface lines run by the municipality. In the German capital the right of way of the elevated roads has been planted with grass and flowers, and fitted with benches and other conveniences. All through the crowded city the elevated roads make lines of green which are free for the use of the public. The stations are inclosed from the weather and are beautiful in design. The elevated is called the "umbrella of Berlin" because it affords shelter from rain and sun. Both surface and elevated lines are so constructed that there is a minimum of noise. The average fare is 2½ cents.

Dresden is typical of the number of devices for convenience of passengers. A stranger can easily use the street railways without knowing the German language or the street arrangement. Each of the eighteen lines is designated by a number which has a conspicuous place on the front of the car. The cars with the even-numbered routes are painted red and the odd-numbered route cars are painted yellow. The cars make their stops in the middle of blocks, so that they do not interfere with traffic at street corners. Inside the car on one side is a map showing the route of the car lines, together with their numbers, and on the other side of the car is a map showing the various zones into which the city

is divided. The cars are supplied with clocks which are advertisements of their makers. Two cents is the average fare for a single ride and 4 cents is the maximum fare.

Through wise, thrifty expenditures these German cities have eliminated the strap-hanging which is prevalent in the large American cities. The public travel in comfort at about half the price Americans usually pay. They have placed the transportation of the public on the same basis as their health, police and fire protection. Their employes are paid better wages than in the past.

These cities are building for permanence, and industry is encouraged by their cheap fares. It is demonstrated that with these low rates and generous transfers the congested conditions, high rents and unsanitary, poor housing in the overcrowded cities is already in some degree diminished. Suburbs are developed by cheap commutation, and the working classes are allured to the surrounding country and its valuable land for gardens.—Idaho Statesman.

British Proposals Forced Invasion of Belgium, Says Diplomat

German Charge d'Affaires, Haniel von Haimhausen, maintains that the reports from London seek to give the erroneous impression that Germany precipitated the war wholly because German troops had advanced into Belgium, whereas, he declares, the British Foreign Office had previously laid down terms to Germany which would have had the effect

of restraining the German navy from operating against Russia in the Baltic—the most natural waterway leading to the Russian possessions—or from operating against France along the north coast of that country, which was the most natural and proximate point for the German naval forces to operate.

Thus, before the Belgian issue arose, England, Mr. von Hainhausen contends, had sought to compel Germany to hold its navy inactive at the very points where it could be most effective; to reduce it to a state of comparative inaction in upholding such position as the German nation might determine upon.

With Malice Toward None

War is hostility between sovereign nations, that, having no superior power to which to appeal for the settlement of their disputes, have recourse to force and arms. War is either offensive or defensive. The power that strikes the first blow, however, is not always the original author of the hostile measures, since the seeming assailant is often forced into his position by the violation of his rights or the menacing posture of the other parties. In the main, the judgments of mankind have pronounced in favor of a defensive war.

Germany today is conducting a defensive war. A dispassionate review of the record will disclose the fact that England demanded of Germany, as the price of non-interference, that Germany render herself helpless should the quarreling European powers invade her territory in waging battle. This

Germany declined to do and as a consequence is the object of abuse by an English inspired American Press.

The right thinking patriotic American prays for German success because Germany stands for Justice, and Justice should prevail though the Heavens fall.

When the historian of tomorrow pens the narrative of the war of today, his verdict will be that it was caused by the most sordid of motives—Money, Gain, Greed.

Not the faintest tinge of patriotism will be found in England's action.

England, that egged on Russia and France to send the flower of their youth to death while she sent brown Hindus and South African blacks as substitutes for Britons!

When Napoleon Bonaparte was sent to St. Helena one hundred years ago, the money monopolists took up their headquarters in London. There they laid their plans for world control. Europe was at their mercy and the only obstacle to their success was the United States, which at that time had a Merchant Marine and the prospect of an independent Financial System. They induced the Congress of the United States to enact legislation that took exchange from the United States and made it necessary for our merchants to trade with foreign nations via London and to destroy the American Merchant Marine.

Noble Americans who planned this year to celebrate in London One Hundred Years of Peace at such a price!

The hundred years of peace was a peace only

between the money monopolists of England and the United States. Wars were everywhere over the globe and their termination meant only a few more millionaires in London and New York. For seventy odd years the money monopolists were so successful that they felt their reign of loot and slaughter would never end. They laughed aloud when Lincoln proclaimed that a slavery worse than black slavery was menacing mankind—Money Slavery, Lincoln called it—but the people did not understand.

Do they understand it now, when hundreds of thousands of strong men in our great cities have been for years without employment?

They do not understand. If they understood a war against Germany would be impossible.

The money slave masters of which Lincoln warned are in control and are lashing mankind into degradation and death. But there has come for our liberation another Lincoln and he is William II. of Germany—

The Kaiser!

Russian Autocracy and Its Bloodbath

THOMAS C. HALL, D.D.

Blinded by fear of German invasion and jealous of the growing sea power on the North, England has herself lost sight of the real issue of the war, and a docile American public has out-Englanded England. The existence of a Russian autocracy was at stake, and Europe has been plunged into war

to save that wretched autocracy. Were by any chance the Allies to win, England would within a short time have conscription and be seeking an alliance with Germany on almost any terms to save her Eastern interests from Russia. For this autocracy is a plundering Asiatic anachronism in Europe. It can only live on war and conquest.

Russia is peaceful. The Russian peasant has no interest in war. They fight well, like all peasants, when once at work. But as a simple matter of fact many of the Russian prisoners in Gottingen thought they had been fighting against FRAUD!

It will be the greatest blessing to all Europe and especially England should Russia be soundly beaten and the Baltic Provinces, the Polish Provinces, Bessarabia and the Caucasus fall away, and a free Russia enter at last upon the industrial and agrarian reforms that can alone save her.

Nothing would be more desperately evil for the Balkan States than the Hegemony of Russia. It would mean a militarism with a vengeance. It would sound the doom of all religious freedom and social aspiration. It would force the mystic superstitions, the autocracy knows so well to prostitute to political purpose upon all the Balkan races. Tolstoy said the autocracy had itself ceased to believe in these mystic superstitions, but simply forced them on the people for its own purpose. Whether this be so or not these superstitions are a principal tool, and religious intolerance in Russia makes even Turkish fanaticism a haven of refuge. Even Pan Slavism is only a cloak for the ambitions of the autocracy, and sad would be the day for Europe and Asia were this

war to give this corrupt and degenerate political power a new lease of life.

Even Russia's gold and Russia's industrial plants will be safer in the hands of a defeated but reconstructed Russia than in the keeping of a triumphant court with a victorious army absolutely at its disposal.

Germany's Unequalled Record

BY RICHARD M. McCANN

Editor "Waterways and Commerce"

"An eternal union for the protection of the realm and the care and welfare of the German people."

These are the words of the Constitution of the German Empire defining its character and since the adoption of that Constitution, April 16, 1871, the rulers of Germany have sedulously and honestly endeavored to make the people virtuous, forehanded and prosperous.

The founders of the United States formulated under the Constitution a scheme of government which if adhered to would have made the States of North America the most prosperous and powerful nation that ever inhabited the Earth. For over forty years under that Constitution, the United States flourished as did no other nation in the history of mankind; but the failure on the part of the rulers to obey the Constitution has made the United States today a dependent nation. The rulers of Germany, on the contrary, have scrupulously obeyed their Constitution, and as a result the pros-

perity of Germany has been unequalled in the annals of nations.

"The care and welfare of the German people" is one of the objects of the Empire's Constitution. Although embracing only one-fifteenth of the area of Europe, Germany in 1912 produced one-seventh of its wheat, one-fifth of its oats, one-seventh of its barley, one-fourth of its rye and one-third of its potatoes. If the farmers of the United States had as much wheat per acre, as did the German farmers, the wheat crop of the United States would have been two and one-half billion bushels instead of three-quarters of a billion bushels. More than fifty per cent. of the farm area of the United States is unimproved while only nine per cent. of the available area in Germany is unused.

In the past twenty-five years the foreign trade of Germany increased three hundred per cent., while that of Great Britain increased one hundred per cent. On January 1, 1913, there were 4,850 ships of 3,143,000 tons cargo capacity flying the German flag and employing 78,000 sailors. Allowing 10 cents a net ton for the operation of a ship, Germany's merchant marine approximated an expenditure of more than a third of a million dollars a day—and the expenditure inured to the benefit of the world, the United States included.

The German railroads have been laid out with a view to their use by the army. To illustrate: A small town in England, France, Russia or the United States, has a small railway station with a single side track. The same sized town in Germany has a big station with a score of sidings and facilities for entraining or detraining an army corps.

Every railway station has been planned to handle soldiers and munitions of war.

In 1887, the Kaiser in a speech declared, "Neptune with the Trident is the symbol for us now that we have new tasks to fulfill since the Empire has been welded together. Everywhere there are German citizens to protect, everywhere German honor to maintain; that Trident must be in our fist."

And in 1903, in a speech at Bremen he said: "I want to do everything possible *to let bayonets and cannon rest*; but at the same time to keep our bayonets sharp and our cannon ready, so that envy and grief shall not disturb us in tending our gardens or building our beautiful houses."

That speech was extored from the Kaiser because of the criticisms launched by England at Germany on account of the Naval bill passed by the Reichstag in 1900 calling for a fleet of such strength that "a war with the mightiest naval power would involve risks threatening the supremacy of that power."

Nothing has been left undone to make the German navy powerful and destructive, especially in defense. The Zeppelins have been designed for co-operation with their dreadnoughts, being heavily armed with heavy calibre, rapid fire guns, above and below the gas bags, mounted so that they can cover every possible means of approach, fore, aft, broadside. The cruising radius of the Zeppelins is 2,400 miles and their operating height 12,000 feet, an altitude beyond the range of any surface guns.

The care and welfare of the people of Germany has been as faithfully looked after by the Rulers as have the more eye-attracting affairs of state, and

this care and welfare work extends to the most lowly: For instance:

When a domestic servant reaches the age of seventy she is retired with a pension for life earned by the insurance she has paid each week in the past. Less than two per cent. of the wage earners of Germany are out of employment. In England and in the United States the unemployed exceed ten per cent. In other words, out of every one hundred men in the United States or England more than ten are defective—defective mentally or physically, or both. In Germany, only two per cent. are defective, because the record of unemployed is really a record of defectives. It follows therefore that the system of education and rearing of men and women in Germany is the better system because its results are better.

Germany has a system of compulsory savings banks. An unmarried man must deposit ten per cent. of his wages until the deposits aggregate \$500. Then the deposits may cease, but the \$500 thus saved can only be used for the purpose of buying a home or furnishing one. The married man must deposit five per cent. of his wages until he has set aside \$500 which can only be used for the purpose of furnishing a home or buying one. Because of this beneficent law a young man cannot spend all his earnings in the saloon or the billiard parlor nor can the young married man neglect his wife and home. Then again, as six per cent. interest is paid on these deposits the value of money is taught in an impressive manner and individual as well as family happiness is secure.

How this works out for the benefit of the nation

is shown by a comparison of the savings bank accounts in Germany and in Great Britain.

	Savings Banks Deposits in Germany	Savings Banks Deposits in Great Britain
1880	\$653,450,000	\$388,605,420
1890	1,284,325,000	556,426,795
1900	2,209,645,000	935,027,800
1911	4,500,000,000	1,109,514,200

The foregoing table shows that from 1880 to 1911 the German people have placed \$3,800,000,000 and the British people have placed only \$6,950,000 into the savings banks, while between 1900 and 1911 the German people have placed \$2,295,000,000 and the British people only \$9,500,000 into the savings banks. During these eleven years the German savings banks deposits have grown more than eleven times as quickly as the British savings banks deposits. It is worth noting that more than \$3,500,000,000 of the German savings banks deposits consist of small sums which have been put into these banks by people belonging to the working class.

The foregoing should suffice to show that Germany's abounding prosperity is largely due to humane conditions which the far-sightedness of the Kaiser have created. Through the short-sightedness of English administrations these conditions have not obtained in the British Isles.

The one particular battle which the Kaiser has personally waged has been to keep the people from forgetting Spartan simplicity while growing in wealth. The officers in certain regiments of the

army some years ago attempted to outdo each other in offering the Kaiser entertainment on the occasion of his visits. When the Kaiser learned this he issued an order saying that an elaborate menu would be offensive to him and that he desired only the plainest fare.

The discipline of self-denial is practiced in Germany. When Von Bulow in the Reichstag asked all Germany to retrench, the Kaiser set the example by cutting off \$5,000,000 a year from the additional funds voted to maintain the fifty-four palaces throughout the Empire. These palaces are maintained so that all Germans will realize that each locality is the special care of the Emperor and that no one is favored above another.

The history of the twenty-six states which constitute the present German Empire is a record of wars against Russia, France and Poland. The Thirty Years' War in the first half of the 17th century reduced the population of Germany from 20,000,000 to 6,000,000, but it gave Europe religious freedom.

During the 18th century, Austria attempted to stop the growth of Germany and her free institution but the military genius of Frederick the Great made Prussia foremost among European powers. These wars (the Austro Succession, 1741-48, and the Seven Years' War, 1756-1763) cost the lives of 1,000,000 men. In Prussia alone, 14,500 houses were burned.

Under the treaty of Vienna, the German states were reconstructed into a confederation of which Austria received the Presidency. Then Prussia proposed a plan of unification of the German states

with herself as the center of the union. Thereupon the Seven Weeks' War broke out. Bismarck formed an alliance with Italy under which Russia undertook not to make peace until Austria had surrendered Venice to Italy. A series of Prussian victories ending with Sadowa resulted in the Peace of Prague.

And Italy has her Venice today.

Remember this, ye Italians!

Shortly thereafter there was a vacancy in the Spanish throne, which was offered to Leopold of Hohenzollern. He refused it, but France, desiring to clip the wings of the Prussian Eagle, demanded that Germany give a pledge that no German prince should ever aspire to the Spanish throne. Germany declined to make such a promise and the Franco-Prussian War followed.

Like France, England today, aiming to cripple Germany, demanded that Germany promise not to operate its naval fleet in the Baltic against Russia or against France along the North Coast of that country. The war of the Allies is now on and judging by the past the future will certainly show:

"Deutschland—Deutschland Uber Alles."

State Owned Business

The Government ownership of public utilities in Germany has reached remarkable proportions. This ownership is not only exercised by the Imperial Government, but by the State Governments and by the municipalities. In 1911 the Imperial Government and the Governments of the German

States took profits from the various businesses conducted by them of \$282,749,224. Estimating the capital value at a 4 per cent. ratio, the value of the productive State-owned properties is \$7,068,729,000. And the Governments continue to follow a policy of fresh acquisitions, says Mr. Roberts in his book, "Monarchical Socialism."

It is declared that in the year under discussion—1911—about one-quarter of all the expenses of the State and Imperial Governments for the army, the navy, and for all other purposes were paid out of the net profits on Government business. No tobacco, spirit or match monopolies are among the undertakings. Besides the productive ownerships of the Empire and of the individual States, the cities, on their own account, have gone deeply into ownership of street railways, gas, electricity, water works, slaughter houses, market halls, cold storage, canals and wharves. Mr. Roberts calls attention to the fact that the republics among the States of the Empire are far more backward in communal ownership than the monarchies.

Of Government-owned properties, the farms are worth \$198,000,000; the forests, \$730,000,000; mines, \$129,000,000; railways, \$4,757,000,000; telegraphs, telephones, express and mails, \$695,000,000, and other works, \$435,000,000. Upon no department do any of the State Governments lose much except upon steamers.

Much of the trend of public ownership in Germany may be traced to Bismarck, who declared that it was the duty of the State to undertake public works that men who desire might work. In 1884 he laid down the doctrine that if a man comes be-

fore his fellow citizens and says, "I am healthy, I desire to work, but can find no work," he is entitled to add, "Give me work," and the State is bound to give him work. There is no hostility to trusts, and it has been authoritatively stated that "economic Germany is under the absolute rule of half a hundred men."

Operations of Foreign Exchange

The most commonly used bills of Exchange are issued in the currency of England, France and Germany; that is, in pounds sterling, francs and reichsmarks. Quotations, which look complicated and unintelligible, are nothing of the sort. The quotation of pounds sterling, for example, is, say, 4.90. All that means is that one English pound is worth \$4.90 in American money. Francs are quoted in French money. When the quotation reads 5.15, the explanation is that \$1 United States money will buy 5 15-100 francs, or 5 francs 15 centimes. A quotation for reichsmarks of 95 indicates that 95 cents will purchase 4 reichsmarks. A movement in pounds sterling from 4.90 to 4.95, or a movement in reichsmarks from 95 to 96, is obviously an upward movement, but when francs go from 5.15 to 5.18 the market is going down, because your dollar will buy more French money, which is becoming cheaper.

The price of foreign exchange is what regulates gold movements. Because London is the financial capital of the world, the trend of the rate for pounds sterling is what American bankers watch.

The British pound, when it is full weight, has a gold value in American money of \$4.86½%. That is called the parity of exchange. American merchants who buy goods abroad as a general rule make their payments through London and in English money. They buy pounds for this purpose. When they can buy pounds at the parity of exchange, or up to 1½ cents to 2 cents higher, they do so. But when the price of pounds goes above that limit, it is cheaper to take American gold and send that over. Here is why that is done:

As stated, an English pound of full weight is worth at a United States mint, \$4.86½%. Naturally, a merchant cannot afford to pay much above this price for his pounds. If the price is too high he can buy gold in this country and send that. But if he does the operation will cost him something. There is insurance to be paid and there is the loss of the use of the money for the interval in which it is being transported across the Atlantic. Also, there is the loss in the weight, which means the value, of the gold by abrasion. Gold is soft and the action of the waves, causing the gold to jounce around, rubs off part of it. All this counts and experts have estimated that these necessary charges amount to about one and one-half cents to the pound when the shipment is in gold bars, and to something more than two cents a pound when gold coin is used. The reason for the difference between bars and coin is that gold bars usually are worth between \$300 and \$450 each, while gold coin is generally sent in denominations of \$10 and \$20. A bar has six surfaces exposed to abrasion, while a coin has only two and the edges, but in a shipment

of \$1,000,000 in bars averaging \$400 each, there would be only 2,500 bars, with 15,000 surfaces, while \$1,000,000 in \$20 gold pieces would contain 50,000 coins and 100,000 surfaces, not including the edges. So the coin loses more than the bars and the cost of shipping is higher.

With these transportation expenses to be reckoned with, the price of sterling exchange must go one and one-half to two cents above the parity of exchange before gold is sent out of the country. In other words, it must be in the neighborhood of 4.88 to 4.88½. That is what is called the nominal export point of exchange. When the rate goes down to 4.84½ bankers say that the nominal import price has been reached and gold imports may be expected, because the rule works as well one way as the other. What causes the rate to advance is that there are more American debts to be settled abroad than there are European debts to be settled with us. When the situation is reversed, and Europe owes us more than we owe her, then the rate goes down, and if it goes down enough Europe has to send us gold. *But Europe has several advantages which we do not possess. There are semi-governmental banks which, while they cannot operate against great international movements, can when the proposition is fairly close, swing the balance in favor of their own countries. Also, several countries impose export taxes on gold, which practically makes it impossible to get the metal away from them when they want to hold it. The United States, under the Constitution, cannot impose any export tax.*

In the financial district—Wall Street— as it is

generally referred to, the foreign exchange brokers have their own particular section. They congregate around the corner of Wall and William streets, where, in obedience to the laws of affinity, all the banks and the brokers who deal in this form of financial paper send their representatives. Just as little is known about the workings of the Foreign Exchange market by the average person, so is the amount of general information regarding the physical manifestations of the market limited. The Stock Exchange and the Broad Street curb, and of late the New Street curb, are widely known, but the foreign exchange market down in William street is so quiet, outwardly, that few are ever attracted by it, even though they pass the little group of brokers every day.

These men deal in millions of dollars worth of international credit every day when business is brisk. The unit of trade is 10,000 pounds, of \$50,000, but bills for ten times this size are not uncommon.

British pounds sterling, worth \$4.86 $\frac{5}{8}$ in gold each, sold during August at as much as \$7, and francs, which are worth in gold 19 3-10 cents each, sold at three for a dollar, or the equivalent of 33 1-3 cents each.

Sir George Paish, who for years has been editor of the London Statist, and is now the official adviser to the Chancellor of the Exchequer, has figured prominently in the news concerning the recent troubles in the foreign exchange market. Sir George is now in this country as a representative of the British Government and London bankers generally, and it is believed that the results of his con-

ferences with the members of the Federal Reserve Board, collectively, and with the Secretary of the Treasury, as well as with many prominent New York bankers, will do much to clear up a situation that has been unparalleled in financial history.

The European war has placed England perilously near bankruptcy, but its representative, Sir George Paish, has been sufficiently adroit to make the American people pay a premium for London exchange, instead of getting it at a discount, and more than that he has been able to make a trade for cotton at 5 cents a pound, while Germany is willing to pay 18 cents a pound. In effecting the compromise between this country and London, which is the financial capital of Europe, the newly formed Federal Reserve Board has had an important part. Its future activities will be much concerned with this problem of foreign exchange. The people should demand that the United States at least adopt the semi-governmental banking system of Europe. if it does not, as it should, take over the banking monopoly of this country. With the banking monopoly in the governments of the world there would be no more wars.

Germany Has Food Aplenty for War

Confidential Councilor Ruebner, founder of what is known as the physiology of nutrition and a German economist of wide reputation, publishes in the current issue of the *Medicinische Wochenschrift*, a survey of food conditions in Germany. The writer deals with the claim of the foreign hostile press that

Germany, due to its partial isolation in the present war, would in very little time be without sufficient food. Among the items which he speaks of is milk.

Germany has at present, claims Councilor Ruebner, about 11,000,000 milch cows, producing about 1,150 cubic centimeters of milk per capita each day, while the average consumption per person is only 341 cubic centimeters in Germany, in addition to 18 grams of cheese and 7.8 grams of butter.

"It is plain," says the writer, "that we have a superfluity in this class of food. In case the consumption of butter is reduced 1 gram per person the saving would amount to about 25,000 tons of butter per day, equal to about 750,000 tons of milk. In view of the fact that each milch cow produces annually about 2,500 liters of milk, or about 2½ tons, about 300,000 animals could be killed for food purposes without interfering seriously with the milk supply of Germany."

After asserting that the Germans are the biggest meat eaters in Europe, Dr. Ruebner gives the following table of meat consumption per capita for Europe:

	Kilograms.
Germany	52.3
England	47.6
France	33.6
Holland and Belgium.....	33.6
Austria-Hungary	29.0
Russia	21.8
Italy	10.4

German's demand, the writer asserts, is covered fully for the period of the war, and, while forage

is none too plentiful ordinarily, he believes that there will be no difficulty feeding the stock, especially if a late winter makes it possible to pasture the animals longer than is usually the case.

A long detailed inspection of Germany's grain supply brings Dr. Reubner to the conclusion that in this respect also Germany is far better off than has been hoped by her enemies. There is enough wheat and rye to meet Germany's demand during the war, and instead of present conditions indicating, as has been claimed, a shortage, there is every reason to believe that the supply on hand is great enough to leave a surplus.

Fixing the Blame for War

Are not five million lives enough! After sixteen weeks of war in Europe, statisticians estimate that the losses of the combined armies engaged in this strife amount to five million human lives!

As many homes, which formerly were the habitats of happy families have been destroyed by fire, shot and shell in the cities and villages of the Continent of Europe.

But still the carnage goes on. Is there no way by which a stop can be put to this slaughter of the best and bravest of human kind?

When a river overleaps its banks causing injury to the adjoining country by inundation, the first act is to ascertain the source of the flood and apply correction there. If the general public can definitely decide upon the aggressor in the present deplorable conflict, a public opinion may be formed

that being directed at the offender should cause a halt to his malevolence.

No American student of the great conflict now raging in Europe has a better right to speak with authority than Professor William M. Sloane, of Columbia University, for his researches into history have been among the foremost made by any American and his written and spoken utterances upon racial tendencies and social significances rank among the profoundest of the time.

Says Prof. Sloane :

"There was printed recently what the British call their 'White Paper,' as well as the German 'White Paper.' The editors of our most important journals announced that they had read and studied those papers with care and that on the face of those papers, beyond any peradventure, Germany was the aggressor. German militarism had flaunted itself as an insult in the face of Europe. Germany had violated neutrality. Germany had committed almost every sin known to international law and therefore the whole German procedure was to be reprobated.

"Within a very short time a Labor member of Parliament, J. Ramsey Macdonald, rises in his place, able and fearless, and, on the basis of the 'White Paper,' as published and put in the hands of the British public, attacks Sir Edward Grey for having so committed Great Britain in advance to both Russia and France that, in spite of the representations of the German Ambassador, he dared not discuss the question of neutrality. This member of Parliament manifestly belongs to the powerful anti-war party of Great Britain, a party two

of whose members, John Burns and Lord Morley, resigned from the Cabinet rather than condone iniquity, a party which before the outbreak of the war made itself heard and felt and protested against the participation of Great Britain, desiring localization of the struggle.

"Mr. Macdonald says that in his opinion this talk about the violation of Belgian neutrality, from the point of view of British statesmen, is absurd, because as long ago as 1870 the plans for the use of Belgium, both by France and by Germany—in other words, the violation of its neutrality—were in the British War Office, and that Mr. Gladstone rose in his place and said he was not one of those whose opinion was that a formal guarantee should stand so far in thwarting the natural course of events as to commit Great Britain to war; and that has been the announced and avowed policy of Great Britain all the way down since 1870, and that therefore talk about the violation of Belgium neutrality is a mere pretext.

"That is another instance of this secret agreement that goes on, which so commits a man like Sir Edward Grey that in the pinch, when the German Ambassador substantially proposed to yield everything to him and asked him for his proposition, he cannot make any.

"These facts are in the 'White Paper.' As far as I know, no editor in the United States who claims to have studied thoroughly that 'White Paper' has ever brought this out, and they had not been published in that paper at the time when Sir Edward Grey and Mr. Asquith made their respec-

tive speeches and committed the British nation to the war.

"Italy has joined what Italy considered a defensive alliance, but not an offensive alliance, and chose to regard the outbreak of this war as an offensive movement on the part of Germany, and for that reason has refused to participate in the struggle.

SECRET AGREEMENTS THE RULE.

"I say for that reason because, having been accustomed to reading, all my life, long diplomatic documents, really having been trained, you might say, almost in the school of Ranke, who was the inaugurator of an entirely new school of historical writing based on the criticism of historical papers. I have come to realize that the dispatches of trained diplomats are for the most part purely formal, and that while these respective publications of Great Britain and of Germany have a certain value, yet nevertheless the most important plans are laid in the embrasures of windows, where important men stand and talk so that no one can hear, or they are arranged and often times amplified in private correspondence which does not see the light until years afterward, and that the most important historical documents are found in the archives of families, members of which have been the guiding spirits of European policy and politics.

"So that what the secret diplomacy of the last years may have been is as yet utterly unknown, and certainly will not be known for the generation yet to come and perhaps for several generations. The student in almost any European capital is given

complete access to everything on file in the archives, including secret documents, only down to a certain date. That date differs in various of these store-houses, but I think in no case is it later than 1830.

"If you ask why, there are the sensibilities of families to be considered, there is the question of hidden policies which they do not care to reveal, and then there is the whole matter of who the examining student it. For instance, certain very important papers were absolutely denied to me, as an American, in Great Britain—or at least excuses were made if they were not absolutely denied—which were opened to an Englishman who was working upon the same subject at about the same time.

"The reason for such observation at the present hour is plain enough. Public opinion is formed upon what the public is permitted to know and is not formed upon the actual facts which the public is not permitted to know. And for that reason Americans, remote as we are from the sources of information and especially remote from that most delicate of all indications, the pulse of public opinion in foreign countries, ought to be extremely slow to commit themselves to anything."

From Bismarck's Autobiography, Vol. 2, page 237: "Lord Palmerston did indeed on April 4, 1836, say to the House of Commons, with an irony probably not understood by the mass of the members, that the selection of the papers regarding Kars *to be laid before the House*, had demanded great care and attention from persons occupying not a subordinate but a high position in the Foreign Office. The Blue Book on Kars, the castrated dis-

patches of Sir Alexander Burns from Afghanistan and the communication of Ministers regarding the origin of the note which the Vienna Conference of 1854 recommended to the Sultan for signature, instead of that of Mentchikoff are proof of the ease with which Parliament and the press of England can be deceived."

Anglo-American Bankers Resort to Boycott

BY RICHARD M. MCCANN

The interests that have made and are maintaining the war in Europe are the financiers of England and of the United States.

These English and American financiers will not consent to peace among the warring nations until the value of German securities has been depreciated almost to nothing, when these financiers will take over the obligations at a mere pittance. Then the terms of peace to which they will assent will appear most magnanimous, perhaps without the payment of any money indemnity, for the reason that money indemnity would go to the treasury of the nations and not to the bankers. *But the financiers will insist that the obligations of Germany be met dollar for dollar, giving the financiers \$20 for every dollar invested, while the nations will get nothing in return for the vast war expenditures and public losses.*

We hear of depreciation of values in Wall Street, of the operations of "Bulls" and "Bears"

wiping out the patrimony of widows and orphans. Infamous as are these operations they cannot measure in infamy with this combination of the financiers of England and the United States to effect a depreciation of securities and values throughout the world, by the creation of widows and orphans through the sacrifice of the lives of men.

Will the wage earners of England and America continue to supinely wait until the money interests have exhausted every resource in their attempt to crush Germany to the dust, that they may fasten upon the world a money slavery incomparably worse than black slavery? Or is money a god and the financiers its priests, who may not be questioned even by those dying at their hands?

Our newspapers gloat over the orders from England for millions of dollars' worth of destructive weapons placed in this country through Charles Schwab. The people of this country should demand that Congress prohibit this traffic and that we become neutral in practice as in precept. For a nation, having no grievance against either belligerent, to furnish both of them with weapons for mutual destruction, is not justifiable under any circumstances; but to furnish one side for a money consideration, with such devices, when the other side cannot be equally supplied, is absolutely criminal. *It is nothing short of aiding and abetting murder.*

Congress has enacted laws punishing by imprisonment conspiracies in restraint of trade. Here we find conspiracies against the peace and happiness of mankind, promoters of war and slayers of men. How long will these go unwhipped of justice?

A few years ago people would laugh at the idea

that a Rockefeller could be indicted for an offense such as the New Haven conspiracy. A Rockefeller is under indictment for that offense today.

The assertion that these financiers, conspiring to loot the governments of the world can be brought to book may be scoffed at, but their turn will come. If the laws of this country are not now so framed as to give the requisite authority for the indictment and punishment of these misery makers, let legislation be enacted at the present session of Congress, placing the banking business of the country in the government—the people and for the benefit of the people.

The people of the United States cannot know that the men in control of finance, transportation and manufacturing in the United States are in league with the men in control of finance, transportation and manufacturing in England, for the purpose of monopolizing all the profits of the war even at the cost of millions of human lives on the battlefields of Europe and millions of human lives through destitution in all other parts of the world. That such a band of human despoilers exists is demonstrated by the proposed boycott by the British Privy Council. It is also demonstrated by the record of the money manipulators in the past and by Anglo-American financial arrangements today, which surpass in plan and scope the money conspiracies against the people successfully carried out for the last thirty years.

American cotton is in demand in England as it never was before, but instead of purchasing American cotton at a fair price, England sent to this country Sir George Paish, its foremost financier, to

collect an alleged bill of \$250,000,000 due as a balance of trade, when as a matter of fact the balance of trade was growing daily in favor of the United States. In spite of this fact Sir George Paish put through a deal by which England was to get American cotton at the price American bankers had loaned on it, or 5 cents a pound, though it cost the planters 7 cents a pound to grow it.

The Daily Consular Report, published by the Department of Commerce and Labor on November 7, contained this item:

The Department of State is in receipt (November 3) of a cablegram from the American embassy at Berlin stating that the supply of cotton is about sold out in Bremen, which is the principal cotton market of Germany. At Hamburg spot cotton is quoted at 90 pfennigs (19.432 cents per pound) and 85 pfennigs (18.352 cents per pound) offered for later delivery, with a drop in price likely should new cotton arrive in quantity.

In the interior of Germany—at Stuttgart and Munich—the price is 1 mark per half kilo (21.591 cents per pound); at Magdeburg, 72 pfennigs (15.546 cents per pound); at Coburg, 60 to 65 pfennigs (12.955 to 14.034 cents per pound) for cotton coming by way of Genoa or Swedish ports; at Cologne, 78 pfennigs (16.841 cents per pound) delivered at Cologne; at Dresden, 75 pfennigs (16.193 cents per pound), this being the quotation on October 17. In Leipzig prices range from 66 to 107 pfennigs per half kilo (from 14.25 to 23.102 cents per pound), free Leipzig, according to quality.

Here we see Leipzig offering 23 cents a pound for cotton, a price that would justify the risk of sending several shiploads there, but if such an attempt were successful *the boycott against German*

exchange would prevent the shippers cashing their drafts.

Do the people of the United States realize that such an infamous transaction will not only ruin the cotton growers of the South, but shut down the mills of the North, just as soon as the looms in the factories over the sea begin to hum?

Can such a transaction be sanctioned by the Government of the United States? The Government that Jefferson characterized as "A wise and frugal Government, which shall restrain men from injuring one another, and shall not take from the mouth of labor the bread it has earned?"

In 1873 the financiers of England paid \$500,000 to reap a profit of \$9,000,000 in United States bonds. Of this transaction Senator Daniel of Virginia, in the Senate, May 22, 1890, said:

"In 1872, silver being demonetized in Germany, England and Holland, a capital of £100,000 (\$500,000) was raised, and Ernest Seyd was sent to this country with this fund as agent for foreign bondholders to effect the same object."

This testimony is corroborated by the Congressional Globe of April 9, 1872, as follows:

"Ernest Seyd, of London, a distinguished writer and bullionist, who is now here, has given great attention to the subject of mint and coinage. After having examined the first draft of this bill (for the demonetization of silver), he made various sensible suggestions, which the committee adopted and embodied in the bill."

This conspiracy attracted some public attention and called forth condemnation, by some of the newspapers, long after the money clique had se-

cured their gains. Among those who exposed the conspiracy was Frederick A. Luckenbach, who appeared before James A. Miller, the Clerk of the Supreme Court, at Denver, Colo., on May 6, 1892, and made affidavit that as an inventor and business man, at Philadelphia and New York, he had made several business visits to London. He became well acquainted with Mr. Ernest Seyd in London, meeting him first in 1865, and renewing his acquaintance with him each year, and "upon each occasion became his guest at one or more times, joining his family at dinner or other meals."

In February, 1874, while at dinner at Mr. Seyd's house, the conversation turned on rumored corruption of the British Parliament, and Mr. Seyd told him that "he (Seyd) could relate facts about the corruption of the American Congress that would place it far ahead of the English Parliament in that line." Mr. Lauterbach swore that after dinner Mr. Seyd took him apart and made this statement:

"I went to America in the winter of 1872-'3, authorized to secure, if I could, a bill demonetizing silver. It was to the interest of those I represented—the governors of the Bank of England—to have it done. I took with me £100,000 sterling (\$500,000), with instructions that if it was not sufficient to accomplish the object, to draw another £100,000, or as much as was necessary. *I saw the committee of the House and Senate, and paid the money and stayed in America until I knew the measure was safe.*"

The letter of Ernest Seyd to Mr. Hooper is published in the records of Congress (Senate Mis. Doc., No. 29, Fifty-third Congress, first session). It is dated "La Princess Street Bank, London, Feb. 17,

1872," and among other things of a technical character recommends the coining of a silver dollar of 400 grains legal tender to any amount not exceeding \$100. The panic of 1873 was the direct result of this demonetization.

\$500,000 BOUGHT CONTROL OF THIS NATION'S FINANCES.

Under date of October 9, 1877, the following circular was sent to all bankers of the country :

"Dear Sir: It is advisable to do all in your power to sustain such prominent daily and weekly newspapers, especially the agricultural and religious press, as will oppose the issuing of greenback paper money, and that you also withhold patronage or favors from all applicants who are not willing to oppose the Government issue of money. Let the Government issue the coin, and the banks issue the paper money of the country, for then we can better protect each other.

"To repeal the law creating national bank notes, or to restore to circulation the Government issue of money, will be to provide the people with money, and will, therefore, seriously affect your individual profit as bankers and lenders. See your Congressman at once, and engage him to support our interests, that we may control legislation.

"JAMES BUELL, Secretary,
"247 Broadway, N. Y."

During the war of the Rebellion the financiers of that date, as those of this day, were in league with Lombard street, and succeeded in sending gold to a premium reaching 185 per cent. in 1864. Charles Hazzard, an agent of London capitalists, in 1862, issued a circular to New York capitalists, which was discovered by Isaac Sharp, in 1873, on file in

the First National Bank of Council Grove, Kans.
This circular is as follows:

"Slavery is likely to be abolished by the war power, and chattel slavery destroyed. This, I and my European friends are in favor of, for slavery is but the owning of labor, and carries with it the care of the laborer, while the European plan, led on by England, is capital control of labor by controlling wages. This can be done by controlling the money. The great debt, that capitalists will see to it is made out of the war, must be used as a measure to control the volume of money. To accomplish this, the bonds must be used as a banking basis. We are now waiting to get the Secretary of the Treasury to make this recommendation to Congress. It will not do to allow the green-back, as it is controlled, to circulate as money any length of time, as we cannot control them. But we can control the bonds, and through them the bank issues."

Elsewhere under the title "Fixing the Blame" will be found the authoritative statement that agreements between nations are actually arranged in secret by prominent individuals. In the light of these proven money conspiracies is it not fair to assume that this terrible war in Europe has its source in the machinations of money manipulators?

Remember that the cotton planters of the South are practically destitute, although Germany would if permitted enrich them by paying more than 20 cents a pound for cotton. The cotton mills of America are not working to capacity and England will not permit wool from abroad to be sent to this country, thereby keeping our woolen mills idle and our men and women out of employment.

Remember that it is only by "hard times" and wars that the financiers make colossal fortunes.

Why will not the people banish "hard times" and put an end to war for all time by demanding that the government become the banker?

Germany has set the example of a nation prospering by having the government participate in the banks' profits and this is the reason English and American financiers will sacrifice the flower of the world's manhood to destroy Germany. Let the United States improve on Germany's precedent and become the nation's banker. Let us have no more money conspiracies with their attendant evils. Let us have no foreign entanglements.

Let Us Have World Peace.

TO PEACE LOVING AMERICANS

You doubtless realize that a continuance of this terrible War in Europe spells international disaster of a character that never before affected the industrial world.

The study of German achievements will convince the most partisan that nothing is to be gained for commerce, art or literature in this war against Germany.

This book is an appeal to reason and wholly in the interest of peace.

The cable, the telegraph, fast ships and faster railroad trains link the nations so closely that the public opinion of one nation influences another more potently today than at any time in the past.

America should demand World Peace in no uncertain tone. Will you not help to give expression to that demand?

See that everyone you know has a copy of this book.

The price is 10 cents the copy.

Liberal Discount to Dealers.

Address:

WATERWAYS AND COMMERCE.

150 NASSAU STREET.

New York City.

Great Race Work Halted

The crime of the ages is in perpetration to-day in Europe and a so-called twentieth century civilization does not seem to appreciate the enormity of the sacrilege.

Having given to Music a Wagner, to Literature a Goethe and a Hauptmann, to Statesmanship a Bismarck, to Sovereignty a Wilhelm II (incontestably the most honest and unselfish man who ever ruled a Kingdom), Germany was endeavoring to give to the world a nation of scientifically trained individuals, when without provocation or justification, Russia and France invaded her frontier.

The world knows that for thirty years Germany has been training boys and girls in the various walks of life for which nature seemed to have best fitted them. The ultimate results of this training could not be demonstrated with accuracy before the second or third generations. One generation alone has been trained and the results has been a nation of only two per cent. defectives, whereas, the world average of defectives is thirty per cent. What the next generation would have brought forth in Germany can never be known because this culture-killing war has called to arms and to death the flower of German manhood. The most important experiment ever attempted in stirpiculture is halted if not forever destroyed. All acts of vandalism in past centuries pale into insignificance before this record of race retardation.

The United States can, if its people and its Congress so will, call a halt to this disaster. Thousands of Americans are demanding that Congress act and at once. Already a handful of enlightened patriots in the halls of Congress are making that demand. They will have to be aided by the voices of millions before their cry reaches the ears and their words penetrate the understanding of the money-mad men who are encouraging the war for their personal gain.

In order that Americans may be aroused to a realization of present conditions, this book on the war has been published. It is an appeal to the reason of Americans for fair play to Germany and to the world. It is in no sense a partisan or racial appeal. The price of the book is ten cents a copy. Its distribution should be as wide-spread as the Nation. Orders supplied by

WATERWAYS & COMMERCE.

ALL SHOULD AID FOR WORLD PROGRESS

To-day, the trade of the United States exceeds that of any other nation.

Why?

The answer is to be found in the pages of "Waterways & Commerce," a magazine that sets forth tersely and accurately the work accomplished for the benefit of humanity in the various lines of trade.

Its purpose is to teach man to recognize his true friends, his true interests and the real value of the commercial processes that are working for civilization and human advancement.

The printed word makes the most acceptable appeal to the human mind, and for that reason an educational publication such as "Waterways & Commerce" performs a distinct service to humanity.

The mission of this magazine is to enlighten people on questions of finance and trade that are rarely if ever, discussed in the daily newspapers.

Your co-operation in this work is requested. Will you not sign and mail the following?—

.....1915.

Publisher, Waterways & Commerce:

Enclosed find \$1.00 for which send me "Waterways & Commerce" for one year.

Name.....

Address.....

Half a Year of War

Calculations Showing that Eight and One-Half Billions Will Have Been Spent by the End of January.

British Exchequer returns report that the average per diem cost of war to England was \$4,050,000 in August, \$3,250,000 in September, \$5,350,000 in October, \$7,200,000 in November and \$9,850,000 in December, and cites the Chancellor of the Exchequer as predicting that the first full year of war will cost England \$2,250,000,000.

The French cost is thus figured up from the monthly reports of the *Journal Officiel*:

	Monthly.	Rate per 6 mo.
August	\$537,500,000	\$3,150,000,000
September	165,500,000	1,000,000,000
October	175,000,000	1,050,000,000

Russia's Minister of Finance has estimated a war expenditure of \$892,500,000 up to October 13.

Germany's rate of expenditure is estimated at \$175,000,000 a month, exactly the same expenditure as France. This is an average of less than \$6,000,000 a day or one-third less than the expenditure of Great Britain alone. *That the war is bringing England rapidly to a state of financial exhaustion is demonstrated by the fact that English securities have depreciated \$400,000,000 in January.*



Waterways ^a_n^d Commerce

*An American Magazine established
to bring about freedom to the seas*

THE TERRIBLE WORLD WAR ARISES
FROM THE DETERMINATION OF ONE
NATION TO DOMINATE THE OCEANS

Such a determination is neither right nor just.

Germany fights for the freedom of the seas. Her triumph will benefit all mankind.

Germany stands for right and justice. For that reason
WATERWAYS AND COMMERCE upholds
Germany.

Subscription Price One Dollar a Year

ADDRESS

Waterways and Commerce, 150 Nassau St., New York

LIBRARY OF CONGRESS



0 015 845 506 7